

UNITED STATES DISTRICT COURT

for the

Southern District of Texas

OCT 22 2019

David J. Bradley, Clerk

United States of America

v.

Jose Luis GONZALEZ

Edinburg, Texas

DOB:05/20/1982

USC

Case No.

M-19-2566-M

Defendant(s)

SEALED**CRIMINAL COMPLAINT**

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of Aug. 2008 through Sep. 2018 in the county of Hidalgo in the Southern District of Texas, the defendant(s) violated:

<i>Code Section</i>	<i>Offense Description</i>
18 USC 371	Conspiracy to Defraud the United States
18 USC 641	Theft of Public Money

This criminal complaint is based on these facts:

*See Attachment A

 Continued on the attached sheet.Approved AUSA Steven Belt
St Belt 10/22/19*Michael R. Soc*

Complainant's signature

Michael Dove - Special Agent

Printed name and title

Dept. of Labor
Office of Inspector General

Sworn to before me and signed in my presence.

Date: October 22, 2019 11:08 am

Peter E. Ormsby

Judge's signature

City and state: McAllen, Texas

Peter E. Ormsby - US Magistrate Judge

Printed name and title

Attachment A

Affidavit

I, Michael R. Dove, being duly sworn, depose and state as follows:

1. I am a Special Agent with the United States Department of Labor, Office of Inspector General (DOL-OIG). I have been employed with DOL-OIG FBI for two years. I am currently assigned to the Dallas Regional office, working primarily cases involving healthcare fraud and theft of public money. I have worked on numerous federal criminal investigations with other agents, police officers, and law enforcement personnel who have extensive criminal investigative experience and training. As a federal agent, I am authorized to investigate violations of law of the United States and am a law enforcement officer with the authority to execute warrants issued under the authority of the United States.

Background

2. The statements in this affidavit are based in part on information provided by Special Agents of the FBI, other federal law enforcement officers assigned to this investigation and certain non-law enforcement individuals.
3. I have not included each and every fact known to me concerning this investigation. I have set forth only the facts that I believe are necessary to establish probable cause that defendant **Jose Luis GONZALEZ** has engaged in violations of Title 18, United States Code, Sections 371 (conspiracy to defraud the United States) and 641 (theft of public money).

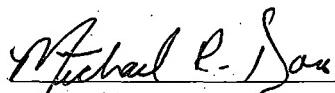
Target's Conspiracy to Defraud the Department of Labor

4. **Jose Luis GONZALEZ** along with other persons known and unknown at this time who reside in Hidalgo County, Texas, committed, and conspired to defraud and steal money from the United States government, specifically unemployment benefits from the Texas Workforce Commission (TWC). Based on my investigation, I have reasons to believe, **Jose Luis GONZALEZ**, along with other persons known and unknown, conspired to commit fraud and theft of government money against the TWC, a federally funded agency of the United States, in the total of approximately \$531,161.00 in U.S. currency beginning in or around August 2008 through in or around September 2018.
5. Through the interviews of Cooperating Witnesses and the activities observed through Undercover Operations, beginning in August of 2008 through September 2018, **GONZALEZ** created a scheme in which he filed fraudulent Unemployment Insurance (UI) claims at the request of co-conspirators with the TWC. **GONZALEZ** would file a fraudulent UI claim by wired

communication at which time he would create a fictitious last employer account to include the name of the fictitious employer, address, employment dates, hourly wages and telephone number. TWC would then mail a Notice of Application for Unemployment Benefits letter to the fictitious employer, at an address controlled by **GONZALEZ** or the co-conspirator, in order to verify whether the co-conspirator listed on the UI claim worked for the fictitious employer. Upon receipt of the Notice of Application for Unemployment Benefits letter, **GONZALEZ**, now acting in the guise of the fictitious employer, would respond via wired communication to the letter sent by TWC, confirming the fictitious employment of the co-conspirator. Upon receipt of the fraudulent response, the TWC would in turn generate and fund a debit card with U.S. currency, funded through the Department of Labor, and mail the debit card to another address controlled by the co-conspirator or **GONZALEZ**. It is believed **GONZALEZ** charged each individual a fee for helping them to fraudulently obtain UI benefits they were not entitled to receive. TWC officials have stated that from approximately August 2008 to September 2018, over 50 suspected fictitious UI claims attributed to **GONZALEZ** had been filed, costing TWC to pay out approximately \$531,161.00 in U.S. currency.

Conclusion

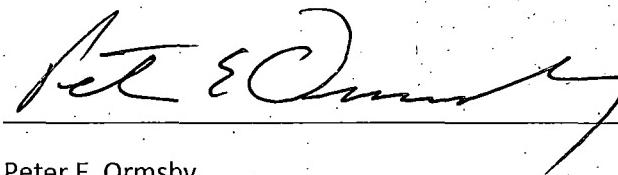
10. Based upon the above information, there is probable cause to believe that **Jose Luis GONZALEZ** has acted in violation of Title 18, United States Code, Sections 371 and 641, which, among other things, makes it a federal crime to defraud and conspire to defraud the United States of public money.
11. Based upon the foregoing, this Affiant respectfully requests that this Court issue a warrant for the arrest of **Jose Luis GONZALEZ**.
12. It is further respectfully requested that this Court issue an Order sealing until further order of this court, all papers submitted in support of this Application, including this Criminal Complaint and Affidavit, and the Application, Affidavit, Attachments, and Search Warrant (with the exception of one copy to be served to the defendant). The investigation into the scope of the conspiracy in which **Jose Luis GONZALEZ** participated is on-going and premature disclosure of the contents of this Affidavit and related documents may have a negative impact on this continuing investigation and may jeopardize its effectiveness.



Michael R. Dove

Special Agent, Department of Labor – Office of Inspector General

Subscribed and sworn to before me on this 22nd day of October, 2019 at 11:08 a.m./p.m.



Peter E. Ormsby

UNITED STATES MAGISTRATE JUDGE